Amendment No. 1 to SB2390

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Ford J Signature of Sponsor

AMEND Senate Bill No. 2390*

House Bill No. 3043

by deleting all language after the enacting clause and by substituting instead the following:

SECTION 1. Tennessee Code Annotated, Section 56-6-702, is amended by deleting subsections (4) and (5) and replaced by the following new subsections:

- (4) Improve communications and knowledge of benefit plan requirements among all parties concerned before expenses are incurred; and to
- (5) Ensure that utilization review agents and procedures maintain and safeguard the confidentiality of all health-related records, especially mental health and chemical dependency disorders, in accordance with applicable laws and requirements of nationally recognized review accrediting bodies such as the Health Insurance Portability and Accountability Act (HIPAA) and the Utilization Review Accreditation Commission (URAC).

SECTION 2. Tennessee Code Annotated, Section 56-6-704(a), is amended by adding the following new sentence at the end of the subdivision:

Utilization review programs for mental health and chemical dependency care must comply with the most recent requirements of nationally recognized utilization review accrediting bodies (i.e., URAC) and with all security and privacy rules on protected health information as defined in the Health Insurance Portability and Accountability Act (HIPAA).

SECTION 3. Tennessee Code Annotated, Section 56-6-704(b), is amended by deleting the word "and" at the end of subdivision (2), deleting the period (.) at the end of subdivision (3) and substituting instead the language "; and", and by adding a new subdivision as follows:

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(4) Utilization review programs for mental health and chemical dependency care shall make available to a provider submitting patient utilization review information a description of utilization review standards and procedures applicable to that provider.

SECTION 4. Tennessee Code Annotated, Section 56-6-705(a)(4)(A), is amended by adding the following new sentence at the end of the item:

For mental health and chemical dependency care, the reviewer in these appeal determinations must be both licensed at the independent practice level and in an appropriate mental health or chemical dependency discipline like that of the provider seeking authorization for the care denied.

SECTION 5. Tennessee Code Annotated, Section 56-6-705(a), is amended by deleting the word "and" at the end of subdivision (8), deleting the period (.) at the end of subsection (9) and by substituting instead the language "; and", and by adding a new subdivision as follows:

- (10)(A) For outpatient mental health or chemical dependency care, the patient must register pursuant to the requirements of the policy or contract. After such registration, the patient shall be approved for at least seven (7) visits to a particular provider, except as otherwise provided herein.
- (B) Initial utilization review for such outpatient mental health or chemical dependency patients, shall be limited to no more than a two (2)-page form to be submitted via facsimile or internet and pursuant to state and federal privacy rules,

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security rules, and the Health Insurance Portability and Accountability Act (HIPAA). After November 1, 2005, such form shall be restricted to a single page. After November 1, 2005, the provider may no longer submit the form via fax but is required to use the internet to submit necessary information if the health insurer so requires. In the event that the reviewer elects to restrict such submissions to the internet, provisions must be made to transmit information via fax in the event of computer malfunction.

- (C) After the initial utilization review, additional information or follow-up utilization review shall be limited to no more than eighteen percent (18%) of the total number of mental health and chemical dependency patient reviews performed by a reviewer or as otherwise required by URAC. Such eighteen percent (18%) limit shall not apply to utilization review applicable to at risk populations, patients seen more than two (2) visits a week and patients for which substance abuse is reported or suspected. Calls from reviewers to providers for appointment follow-up calls or for the credentialling process shall also not be subject to the eighteen percent (18%) limit.
- (D) After utilization review as provided above, patients shall be authorized for at least seven (7) additional visits or as otherwise recommended by the treatment plan.
- (E) Nothing herein shall affect the policy benefits.SECTION 6. Nothing in this act shall apply to the TennCare program.

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SECTION 7. This act shall take effect on November 1, 2003, the public welfare requiring it.